

State University System Operating Share of State Resources

Summary:

Over the last four years the State University System has received an average increase in State resources of 3.9%. However, this growth in SUS resources has not kept pace with the overall growth in the State's available revenue. During this same period of time, the SUS's share of State resources has declined from 8.9% to 8.3%. In reviewing the available State revenue estimates, the SUS might expect to receive any where from \$76 million to \$240 million in additional state resources.

Detail:

To assist in determining a reasonable amount of funds to be requested for the State University System (SUS) for 2006-2007, our staff reviewed the proportion of state dollars received for the system in the last four years.

The total State general revenue and lottery operating appropriations have grown an average of 6% over the last four years. However, State University System (SUS) operating appropriations have grown an average of 3.9% during this same period. See Chart 1 for the annual percentage increases.

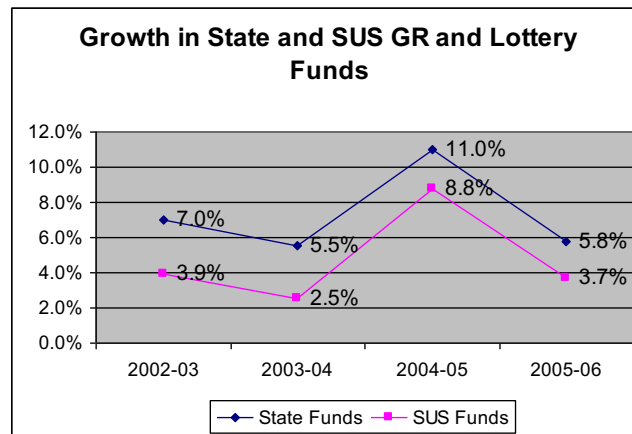


Chart 1

Although the total amount of State general revenue and lottery funding provided to the SUS over the last four years has increased, university funding has not kept up proportionally with the growth in State funds. The SUS share of State funds has decreased from 8.9% in 2002-03 to 8.3% in 2005-06. While the proportion of State dollars provided to universities has decreased over the last four years, enrollment increased by 7.2% over this same period.

Table 1 below depicts the additional funds the SUS might receive based on the estimated State funds available and the SUS percentage of those funds based on the last four years. If the SUS continues to receive the proportionate share for 2006-2007 as it did in 2005-2006, then the SUS could receive \$76.9 million in new State funds. If the SUS received a share of State funds based on the percentage it received in 2002-2003, then the SUS could receive as much as \$240.8 million in new State funds.

Table 1

Col. 1	Col. 2	Col. 3	Col. 4	Col. 5
2006-2007 State Funds per Revenue Estimating Conference (April 2005)	SUS % of State Funds (from Chart 2)	2006-2007 Estimated SUS Share of State Funds (Col. 1 times Col. 2 percentage)	2005-06 Actual SUS State Funds	2006-2007 Estimated Increase in SUS Funds (Col. 3 minus Col. 4)
\$27,305.6 billion	8.3%	\$2,266.3 b	\$2,189.4 b	\$76.9 m
	8.5%	\$2,320.9 b		\$131.5 m
	8.6%	\$2,348.2 b		\$158.8 m
	8.9%	\$2,430.2 b		\$240.8 m

Table References:

Col 1 – Total State funds (General Revenue & Lottery) estimated for 2006-2007

Col 2 – Percentage of SUS funds to total State funds over the last four years (from Chart 2)

Col 3 – The SUS share of Total State funds using the SUS % identified in Col 2

Col 4 – The total SUS State funds appropriated in 2005-2006

Col 5 – The difference between the 2006-2007 estimated SUS share of State funds and the 2005-2006 actual SUS State funds